
**QUESTIONS AND ANSWERS IN RELATION TO
BURSA MALAYSIA SECURITIES BERHAD MAIN MARKET LISTING REQUIREMENTS
(As at 9 April 2018)**

CHAPTER 4A – FOREIGN LISTING

Admission processes & procedures

4A.1 *Y Ltd* is a foreign corporation which intends to seek a primary listing on the Main Market. What are the admission procedures that *Y Ltd* must comply with for this purpose?

Y Ltd must comply with the admission processes and procedures as set out in paragraph 2.0 of Practice Note 21. In this regard, *Y Ltd* must –

- (a) submit its application for a primary listing on the Main Market to the SC for approval; and
- (b) submit to Bursa Securities –
 - (aa) a listing application (in a template as set out in Part A of Annexure 21-A of Practice Note 21); and
 - (bb) all required supporting documents and/or confirmations as specified in Part B of Annexure PN21-A and Part B of Annexure PN24-A.

4A.2 Are all the directors of *Y Ltd* seeking primary listing on the Main Market required to provide Bursa Securities with the undertakings set out in Annexure PN21-C and Annexure PN21-D of Practice Note 21?

Yes. *Y Ltd* must enclose and submit all its directors' undertakings in the format as prescribed in Annexure PN21-C and Annexure PN21-D to Bursa Securities, together with its application for listing.

Continuing obligations of a foreign issuer¹

4A.3 In the event *Y Ltd* has a primary listing on the Main Market, are the continuing listing obligations imposed on *Y Ltd* the same compared with those imposed on other Malaysian listed corporations under the Main LR?

Yes, once *Y Ltd* is listed on the Main Market, *Y Ltd* is required to comply with all the other relevant requirements under the Main LR. However, *Y Ltd* must also comply with some additional requirements imposed under Part C of Chapter 4A in the Main LR such as the obligations to –

- (a) have directors or independent directors with place of residence in Malaysia;

¹ Paragraph 4A.01(2)(a) of the Main LR defines “foreign issuer” as a foreign corporation, foreign collective investment scheme or foreign business trust listed on the Main Market.

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- (b) ensure that the audit committee has at least 1 independent director with a place of residence in Malaysia;
 - (c) appoint an external auditor from an international accounting firm or an accounting firm with international affiliation, which is duly registered or recognised by the Audit Oversight Board pursuant to section 31O of the Securities Commission Act 1993;
 - (d) comply with relevant auditing standards;
 - (e) obtain prior shareholder approval in a general meeting to appoint or remove its external auditor;
 - (f) distribute notices, documents or information which it is required to distribute in its place of incorporation, to its Malaysian shareholders;
 - (g) announce to Bursa Securities any change in interest(s) of its substantial shareholders;
 - (h) prepare financial statements on consolidated basis and in accordance with approved accounting standards;
 - (i) immediately notify Bursa Securities of any suspension in trading or de-listing of its securities listed on other stock exchange(s);
 - (j) immediately announce to Bursa Securities any change in the laws of its country of incorporation or the laws in the country of incorporation of its foreign principal subsidiaries, which may affect the rights of shareholders; and
 - (k) ensure that it has in place a system of internal control.

External auditor of a foreign issuer – accounting firms with international affiliation

4A.3A Paragraph 4A.09(a) of the Main LR requires a foreign issuer with a primary listing to appoint an external auditor from an international accounting firm or an accounting firm with international affiliation. What are the criteria which the foreign issuer should consider in determining whether an accounting firm has “international affiliation”?

In determining whether an accounting firm is affiliated with an international firm, the foreign issuer may consider whether the accounting firm -

- is associated with an international firm;
- pays royalties or annual fees to the international firm;
- has shared services with the international firm such as the accounting firm may deploy services of the international firm for its overseas clients; and
- is able to provide all relevant accounting and auditing services akin to an international auditing firm.

Admission requirements for secondary listing

4A.4 Are all the provisions of the Main LR applicable to an issuer which has secondary listing on the Main Market?

Apart from Chapters 1, 2, 4A and 16, where applicable, the other Chapters of the Main LR are not applicable to an issuer which has secondary listing on the Main Market.